

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
GREENVILLE DIVISION**

IN RE:)	
)	Case No. 19-00730
CAH ACQUISITION COMPANY #1, LLC, d/b/a)	
WASHINGTON COUNTY HOSPITAL,)	Chapter 11
)	
Debtor.)	
)	
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IN RE:)	
)	Case No. 19-01230
CAH ACQUISITION COMPANY #2, LLC, d/b/a)	
OSWEGO COMMUNITY HOSPITAL,)	Chapter 11
)	
Debtor.)	
)	
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IN RE:)	
)	Case No. 19-01180
CAH ACQUISITION COMPANY #3, LLC, d/b/a)	
HORTON COMMUNITY HOSPITAL,)	Chapter 11
)	
Debtor.)	
)	
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IN RE:)	
)	Case No. 19-01300
CAH ACQUISITION COMPANY 6, LLC, d/b/a)	
I-70 COMMUNITY HOSPITAL,)	Chapter 11
)	
Debtor.)	
)	
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IN RE:)	
)	Case No. 19-01298
CAH ACQUISITION COMPANY 7, LLC, d/b/a)	
PRAGUE COMMUNITY HOSPITAL,)	Chapter 11
)	
Debtor.)	
)	
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IN RE:)	
)	Case No. 19-01697
CAH ACQUISITION COMPANY 12, LLC, d/b/a)	
FAIRFAX COMMUNITY HOSPITAL,)	Chapter 11
)	
Debtor)	
)	

IN RE:)	
)	
CAH ACQUISITION COMPANY 16, LLC, d/b/a)	Case No. 19-01227
HASKELL COUNTY COMMUNITY)	
HOSPITAL,)	Chapter 11
)	
Debtor.)	(Jointly Administered)
)	

TRUSTEE’S STATUS REPORT ON SALES OF DEBTORS’ ASSETS

NOW COMES Thomas W. Waldrep, Jr., the trustee (the “Trustee”) for the above-captioned debtors (individually, a “Debtor,” and collectively, the “Debtors”), by and through undersigned counsel, hereby submits this Status Report on the sales of the Debtors’ assets. In support thereof, the Trustee respectfully states as follows:

CAH Acquisition Company #1, LLC

1. At the hearing on January 16, 2020 (the “Sale Hearing”), the Court approved the Trustee’s motion to sell this Debtor’s assets (the “Sale Motion”) [Dkt. No. 519] to Affinity Health Partners, LLC (“Affinity”) pursuant to Affinity’s stalking horse bid. The original closing date for this sale was January 31, 2020.

2. The Trustee and Affinity have maintained ongoing discussions regarding the closing of the sale of this Debtor’s assets. After consultation with the Bankruptcy Administrator, Washington County, First Capital, and Cobalt Capital Partners (Affinity’s lender), the Trustee has agreed to give Affinity with an additional thirty (30) days, through and until March 1, 2020, to consummate the closing of this sale. The Trustee has uploaded the Order approving the sale (the “Sale Order”) with the Asset Purchase Agreement (“APA”) and an appropriate deed.

CAH Acquisition Company #2, LLC

3. At the Sale Hearing, the Trustee received a bid in open court for this Debtor’s assets from Oswego Neuropsych Hospital, Inc. (“NHI”). Pursuant to the Court’s Order authorizing the

Trustee to consider such bid [Dkt. No. 297], the Trustee scheduled a phone auction that was ultimately canceled for lack of competing bidders, resulting in NHI as the sole, highest, and best bidder for this Debtor's assets.

4. The Court approved the proposed sale to NHI at a subsequent hearing on January 29, 2020 (the "Second Sale Hearing"). The original closing date for this sale was January 31, 2020.

5. The Trustee has been in communications with NHI and is awaiting NHI's comments regarding the Sale Order and APA, and the Trustee expects that closing will occur before the end of February.

CAH Acquisition Company #3, LLC

6. At the hearing on January 16, 2020 (the "Sale Hearing"), the Court approved the Trustee's motion to sell this Debtor's assets (the "Sale Motion") [Dkt. No. 272] to Atchison Health Association ("Atchison") pursuant to Atchison's high bid at the December 19, 2019 auction (the "Auction"). The original closing date for this sale was January 31, 2020.

7. The Trustee has uploaded the Sale Order and APA to the Court and expects to close the purchase of this Debtor's assets by Atchison before the end of February.

CAH Acquisition Company 6, LLC

8. At the hearing on January 16, 2020, the Court approved the Trustee's motion to sell this Debtor's assets (the "Sale Motion") [Dkt. No. 362] to Affinity Health Partners, LLC ("Affinity") pursuant to Affinity's stalking horse bid. The original closing date for this sale was January 31, 2020.

9. The Trustee and Affinity have maintained ongoing discussions regarding the closing of the sale of this Debtor's assets. After consultation with the Bankruptcy Administrator

and Cobalt Capital Partners (Affinity's lender), the Trustee has agreed to give Affinity an additional thirty (30) days, through and until March 1, 2020, to consummate the closing of this sale. The Trustee has uploaded the Sale Order and APA to the Court.

CAH Acquisition Company 7, LLC

10. At the hearing on January 16, 2020, the Court approved the Trustee's motion to sell this Debtor's assets (the "Sale Motion") [Dkt. No. 341] to Transcendental Union with Love and Spiritual Advancement ("TULSA") pursuant to TULSA's high bid at the Auction. The original closing date for this sale was January 31, 2020.

11. The Trustee has uploaded the Sale Order and APA to the Court and expects to close the purchase of this Debtor's assets by TULSA within thirty (30) days following the entry of the Sale Order.

CAH Acquisition Company 12, LLC

12. At the hearing on January 16, 2020, the Court approved the Trustee's motion to sell this Debtor's assets (the "Sale Motion") [Dkt. No. 330] to Rural Wellness Fairfax, Inc. ("RWF") pursuant to RWF's high bid at the Auction. The original closing date for this sale was January 31, 2020.

13. The Trustee has been in communications with RWF and anticipates submitting the Sale Order and APA to the Court within a week of the filing of this Status Report, with closing expected to occur within thirty (30) days following the entry of the Sale Order.

CAH Acquisition Company 16, LLC

14. At the Sale Hearing, the Trustee received a bid in open court for this Debtor's assets from Haskell Regional Hospital, Inc. ("HRH"). Pursuant to the Court's Order authorizing the Trustee to consider such bid [Dkt. No. 405], the Trustee scheduled a phone auction that was

ultimately canceled for lack of competing bidders, resulting in HRH as the sole, highest, and best bidder for this Debtor's assets.

15. The Court approved the proposed sale to HRH at a subsequent hearing on January 29, 2020 (the "Second Sale Hearing"). The original closing date for this sale was January 31, 2020.

16. The Trustee has been in communications with NHI and is awaiting NHI's comments regarding the Sale Order and APA, and the Trustee expects that closing will occur within thirty (30) days following the entry of the Sale Order.

Respectfully submitted, this the 7th day of January, 2020.

WALDREP LLP

/s/ Thomas W. Waldrep, Jr.

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